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E.O. 12958: DECL: 05/09/2018
TAGS: [ETRD](#) [EAGR](#) [ECON](#) [WTO](#) [RS](#)
SUBJECT: DEMARCHE REQUEST - POULTRY TECHNICAL REGULATIONS

REF: MOSCOW 1281

Classified By: EUR DAS David Merkel for reasons 1.5 (b) and (d).

11. (U) This is an urgent action request - please see para 2.

12. (C) Summary and Action request: The GOR issued a draft technical regulation (TR) May 4 that would effectively block imports of poultry meat from (among others) the United States (reftel). The hasty adoption of this TR, coinciding with both the government transition and the May holidays in Moscow, may be designed to prevent both international and industry input, as well as the views of those within the GOR who would likely oppose such action as they have a better grasp of the consequences. Besides post's efforts noted in reftel, USTR has engaged both Russian Trade Representative Dolgorukov and Ministry of Economic Development and Trade (MEDT) chief WTO negotiator Maks Medvedkov, highlighting to them the negative effects adopting this TR would have on both the U.S.-Russia bilateral trade relationship and on Russia's WTO accession aspirations. Communication from MEDT chief negotiator Medvedkov to A/USTR Rohde May 8 indicates that the GOR believes it has followed proper procedures in developing the TR and that the best way to resolve poultry exporters' concerns is to accelerate Russia's WTO accession. USTR is continuing to follow up with Medvedkov but, given information that this TR could be signed into effect as early as May 12, COM is requested to deliver the points below at the highest appropriate level in both MEDT and the MFA.

13. (U) Begin Text:

-- We understand that the Government of the Russian Federation will consider as early as May 12 a draft Decree on a proposed technical regulation on poultry and poultry products. Although this proposed technical regulation (TR) raises serious concerns, it appears that the Government intends to act without allowing adequate time to hear these concerns. We urge the Government to delay action on the draft TR until there has been time to consider these concerns.

-- Among those concerns are the adverse effect that the proposed technical regulation would have on Russia's poultry processing industry, on imports of poultry from the United States and Russia's other trading partners, and on consumers in the Russian Federation. The draft technical regulation also appears to ignore provisions of the Agreement on the Application of Sanitary and Phytosanitary Measures (SPS Agreement) of the World Trade Organization (WTO).

-- The current version of the proposed technical regulation was published May 4 and differs significantly from the version published earlier for comment. This current version would prohibit most U.S. exports of poultry to the Russian Federation and could result in closure of several processing facilities in Russia. We also understand that the price of poultry in Russia could increase as much as 30 percent in response to the decrease in supply.

-- Parts of the technical regulation appear to lack scientific justification and do not appear consistent with international standards. Also, key provisions of the proposed technical regulation seem more trade-restrictive than required to achieve Russia's desired level of sanitary or phytosanitary protection.

-- If this proposed technical regulation is approved in its current form, we expect that the U.S. poultry industry, and possibly other U.S. meat industries, will immediately question whether Russia will comply with its commitments as a WTO Member. It could also undermine industry support for our work on other issues associated with Russia's accession to the WTO.

-- The adoption of a trade policy measure inconsistent with WTO rules and in a manner inconsistent with those rules during accession negotiations is a serious breach of negotiating etiquette. It could blemish Russia's reputation as a reliable negotiating partner and could have severe consequences for the pace of Russia's accession.

-- Similar action by Russia in 2002 seriously deflated efforts to see Russia graduate from Jackson-Vanik in the U.S. Congress. In the past, we have stated that actions not directly related to the provisions of the Jackson-Vanik amendment could negatively impact Congress' consideration of Russia's graduation from Jackson-Vanik; this was the case in [2002](#).

-- For all these reasons, we urge your government to delay action on this technical regulation to provide time for discussion and consideration of these issues.

End Text.

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